

BEFORE THE TENNESSEE REGULATORY AUTHORITY AT

NASHVILLE, TENNESSEE

February 20, 2002

IN RE:

APPLICATION FOR APPROVAL OF PARTIAL
TRANSFER OF CUSTOMER BASE OF INTERMEDIA
COMMUNICATIONS, INC. TO WORLDCOM, INC.

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DOCKET NO.
02-00054

ORDER APPROVING PARTIAL TRANSFER OF CUSTOMER BASE

This matter came before the Tennessee Regulatory Authority ("Authority" or "TRA") at a regularly scheduled Authority Conference held on February 5, 2002 upon the *Application* (the "*Application*") of Intermedia Communications, Inc. ("Intermedia") and WorldCom, Inc. ("WorldCom") for approval of the transfer of a portion of Intermedia's customer base to WorldCom.

The Application

In their *Application*,¹ Intermedia and WorldCom request that the Authority approve, pursuant to TRA Rule 1220-4-2-.56(2)(d), the transfer of Intermedia's telecommunications customers to WorldCom.² The *Application* states that WorldCom is not seeking to cancel any of Intermedia's certifications, and that Intermedia will continue to provide certain government

¹ In a letter dated December 21, 2001, WorldCom notified the Authority of the partial transfer of customer base. In a letter dated January 11, 2002, WorldCom submitted a filing fee in order that a new docket could be established with regard to the partial transfer of customer base, because the docket (Docket No. 00-01099) in which the transfer of authority from Intermedia to WorldCom was approved was already closed. The Authority has deemed the two letters to be Intermedia and WorldCom's Application for approval of the partial transfer of customer base.

² The Authority approved a transaction resulting in the transfer of authority to provide utility services from Intermedia to WorldCom by Order dated March 22, 2001 in Docket No. 00-01099. Intermedia became a subsidiary of WorldCom in that transaction.

contract and other telecommunications services under its current certifications. According to the *Application*, approximately 149 Tennessee business long distance subscribers will be transferred from Intermedia to WorldCom, where they will enjoy a comparable service plan.

Requirement of Approval by the Authority

TRA Rule 1220-4-2-.56(2)(d) requires the following actions by telecommunications providers that are transferring customer bases in order to assure that "sufficient notice has been given and approval received from the affected customers":

1. The acquiring telecommunications service provider shall provide the Authority a copy of the self-certification letter it shall file with the Federal Communications Commission ("FCC"), as required in CC Docket No. 00-257, certifying that the customer transfer is in compliance with all FCC regulations governing such transactions.
2. A notification letter, pre-approved by the Authority, shall be mailed by U.S. First Class Postage by the telecommunications service provider being acquired to its customers describing the customer transfer and explaining that the customer's local or long distance service will be transferred to the acquiring telecommunications service provider by a certain date unless the customer selects another telecommunications service provider. This customer notification shall be mailed to the customers no less than thirty (30) days prior to the actual customer transfer. The notification letter required by the FCC may be used for the notification purposes of this part. The Authority may waive the thirty (30) day notice requirement of this part for good cause shown.
3. The acquiring telecommunications service provider agrees to pay any fees charged to the customer associated with changing service to the acquiring telecommunications service provider. The notification letter required in 1220-4-2-.56(2)(d)(2) shall inform the customer of this provision.
4. The acquiring telecommunications service provider agrees to provide to the affected customers a thirty (30) day written notice of any rate increase that may affect their service up to ninety (90) days from the date of the transfer of customers. The notification letter required in 1220-4-2-.56(2)(d)(2) shall inform the customer of this provision.

Compliance with Authority Rule 1220-4-2-.56(2)(d)

As required in subpart 1 of Authority Rule 1220-4-2-.56(2)(d), the *Application* states: "In connection with this process, WorldCom has also fully complied with the rules and regulations of the FCC, 47 C.F.R. § 64.1120(e), requiring notice to customers and permitting the transfer of those customers to WorldCom without WorldCom first obtaining each customer's authorization and verification."³ A copy of the notification filed with the FCC is attached to the *Application* as Attachment 2. Further, as required in subpart 2, a notification letter was mailed to affected customers. As required in subparts 3 and 4, the letter mailed to customers informed them of these provisions, and gave them ample time to choose from among available WorldCom service plans.

Findings

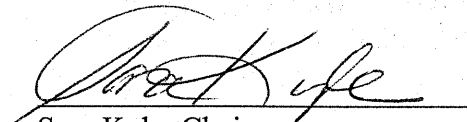
The Directors of the Authority considered this matter at the February 5, 2002 Authority Conference. Based upon careful consideration of the *Application*, the Authority finds and concludes as follows:

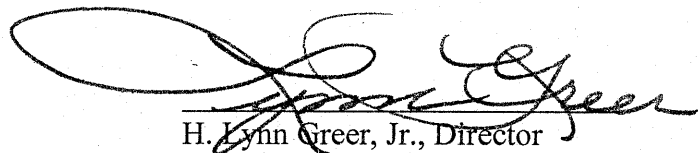
1. Authority approval of the proposed partial transfer of customer base is required by TRA Rule 1220-4-2-.56(2)(d);
2. Approximately 149 Tennessee business long distance subscribers will be transferred from Intermedia to WorldCom; and
3. Intermedia has satisfied the requirements of TRA Rule 1220-4-2-.56(2)(d) with regard to this transfer of a portion of Intermedia's customer base.

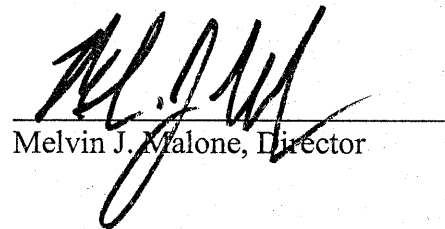
³ Letter from Jean L. Kiddoo and Kathleen L. Greenan, Counsel for WorldCom, to K. David Waddell, Executive Secretary, Tennessee Regulatory Authority, December 21, 2001, p. 2.

IT IS THEREFORE ORDERED THAT:

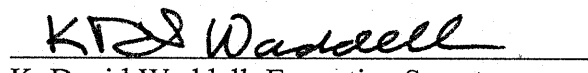
The *Application* of Intermedia Communications, Inc. and WorldCom, Inc. for approval of the transfer of a portion of Intermedia's customer base to WorldCom described herein is approved.


Sara Kyle, Chairman


H. Lynn Greer, Jr., Director


Melvin J. Malone, Director

ATTEST:


K. David Waddell, Executive Secretary